

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN JOSE DIVISION

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

vs.

SMALL BUSINESS CAPITAL CORP.;
MARK FEATHERS; INVESTORS
PRIME FUND, LLC; AND SBC
PORTFOLIO FUND, LLC,

Defendants.

Case No. 5:12-CV-03237-EJD

[PROPOSED] ORDER CONCLUDING
RECEIVERSHIP; APPROVING POST
CLOSING ACCOUNTING AND
REPORT; RELEASING FEATHERS
RESERVE FUNDS; AUTHORIZING
PAYMENT OF PROFESSIONAL FEES;
AND DISCHARGING RECEIVER

Hon. Edward J. Davila
Courtroom 4

1 The Motion to Conclude Receivership and for an Order: Approving the
 2 Receiver's Post-Closing Accounting and Report; Releasing the Defense Counsel
 3 Reserve Funds; Authorizing Payment of Professional Fees; and Discharging the
 4 Receiver ("Motion") of Thomas A. Seaman ("Receiver"), Court-appointed
 5 permanent receiver for Small Business Capital Corp., Investors Prime Fund, LLC,
 6 SBC Portfolio Fund, LLC, and their subsidiaries and affiliates, came before the
 7 Court.

8 The Court having considered the Receiver's Motion, and good cause
 9 appearing therefor, IT IS HEREBY ORDERED as follows:

10 1. The Motion is granted.

11 2. The Receiver's post-closing and report is approved.

12 3. The Receiver is authorized to cease holding the Defense Counsel
 13 Account¹ containing \$200,000 and distribute those funds to investors and creditors
 14 as provided herein.

15 4. The Receiver is authorized to make a final distribution to investors and
 16 creditors in accordance with the Motion and approved Distribution Plan. [Dkt.
 17 Nos. 711, 628]

18 5. The Receiver is authorized to pay his counsel, Allen Matkins Leck
 19 Gamble Mallory & Natsis LLP, attorneys' fees and costs in the amount of
 20 \$60,157.70.

21 6. The Receiver is authorized to establish a post-closing reserve of
 22 \$65,107 to pay for the final administrative expenses associated with the Closing
 23 Tasks as set forth in Section IV of the Motion.

24 7. The Receiver is authorized to turn over to the Securities and Exchange
 25 Commission to be paid to the United States Treasury, any remaining funds in his
 26 possession following completion of the Closing Tasks, including funds reflecting

27
 28 1 The capitalized terms used herein shall have the meanings as defined in the
 Motion.

1 uncashed distribution checks and remaining post-closing reserve funds after
2 payment of the expenses described in Section IV of the Motion.

3 8. The Receiver is discharged of all duties under the Temporary
4 Restraining Order and Orders: (1) Freezing Assets; (2) Prohibiting the Destruction
5 of Documents; (3) Granting Expedited Discovery; (4) Requiring Accountings; and
6 (5) Appointing a Temporary Receiver; and Order to Show Cause re Preliminary
7 Injunction and Appointment of a Permanent Receiver entered by this Court on
8 June 26, 2012 ("TRO") (Dkt. No. 16), the Preliminary Injunction and Orders:
9 (1) Freezing Assets; (2) Prohibiting the Destruction of Documents; (3) Requiring
10 Accountings; and (4) Appointing a Permanent Receiver entered by this Court on
11 July 10, 2012 ("Preliminary Injunction Order") (Dkt. No. 34), and subsequent orders
12 of the Court. Pursuant to the discharge, the Receiver is released from any and all
13 claims and liabilities associated with the receivership, the receivership entities, and
14 the individual defendants named in this action.

15 (a) All actions taken by the Receiver and his professionals in performing
16 the Receiver's Court-ordered duties under the TRO, Preliminary
17 Injunction Order, and subsequent orders of the Court are approved and
18 ratified.
19 (b) The receivership is closed.

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(c) Jurisdiction over all disputes, claims, and causes of action arising from or relating to this receivership case is reserved in this Court. In addition, this Court shall have exclusive jurisdiction over any and all claims asserted by Defendant Mark Feathers against the Receiver, his company, his agents, or his professionals. The Court will review any and all such claims made by Mr. Feathers to determine if a response is warranted. If a response is warranted, the Court will direct the appropriate parties to respond to the claims.

Dated:

Hon. Edward J. Davila
Judge, United States District Court

PROOF OF SERVICE

Securities and Exchange Commission v. Small Business Capital Corp; Mark Feathers, et al.
USDC, Northern District of California – San Jose Division – Case No. 5:12-cv-03237-EJD

I am employed in the County of Los Angeles, State of California. I am over the age of 18 and not a party to the within action. My business address is 865 S. Figueroa Street, Suite 2800, Los Angeles, California 90017-2543.

A true and correct copy of the foregoing document(s) described below will be served in the manner indicated below:

**[PROPOSED] ORDER CONCLUDING RECEIVERSHIP: APPROVING
POST CLOSING ACCOUNTING AND REPORT; RELEASING FEATHERS'
RESERVE FUNDS; AUTHORIZING PAYMENT OF PROFESSIONAL
FEES; AND DISCHARGING RECEIVER**

- 1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING ("NEF")** – the above-described document will be served by the Court via NEF. On August 2, 2019, I reviewed the CM/ECF Mailing Info For A Case for this case and determined that the following person(s) are on the Electronic Mail Notice List to receive NEF transmission at the email address(es) indicated below:

- **Eric James Adams**
eric.adams@sba.gov
 - **Rita Bosworth**
rita_bosworth@fd.org,nanetta_mendoza@fd.org
 - **John Brian Bulgozdy**
bulgozdyj@sec.gov, LAROFiling@sec.gov, delgadilloj@sec.gov,
mitchells@sec.gov, berryj@sec.gov,irwinma@sec.gov
 - **California Business Bank**
rormond@buchalter.com
 - **Lynn Marie Dean**
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- 1 • **Carol Elizabeth Schultze**
2 schultze@sec.gov,masseym@sec.gov,caroleschultze@gmail.com,
3 clarket@sec.gov
4 • **Martin Teckler**
5 mteckler@kelleydrye.com
6 • **Thomas A. Seaman**
7 tom@thomasseaman.com
8 • **David Robert Zaro**
9 dzaro@allenmatkins.com

10 2. **SERVED BY U.S. MAIL OR OVERNIGHT MAIL (indicate method for each**
11 **person or entity served)**: On August 2, 2019, I served the following person(s)
12 and/or entity(ies) in this case by placing a true and correct copy thereof in a sealed
13 envelope(s) addressed as indicated below. I am readily familiar with this firm's
14 practice of collection and processing correspondence for mailing. Under that practice
15 it is deposited with the U.S. postal service on that same day in the ordinary course of
16 business. I am aware that on motion for party served, service is presumed invalid if
17 postal cancellation date or postage meter date is more than 1 (one) day after date of
18 deposit for mailing in affidavit.

19 **Pro Se Defendant**

20 Mark Feathers
21 205 MacArthur Blvd.
22 Oakland, CA 94610

23 Phone 510.778.0175

24 **Via U.S. First Class
25 Mail**

26 I declare that I am employed in the office of a member of the Bar of this Court at
27 whose direction the service was made. I declare under penalty of perjury under the laws of
28 the United States of America that the foregoing is true and correct. Executed on August 2,
2019 at Los Angeles, California.

29 _____
30 /s/ *Martha Diaz*
31 _____
32 Martha Diaz